



House of Representatives

File No. 591

General Assembly

February Session, 2002

(Reprint of File No. 207)

Substitute House Bill No. 5251
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
April 27, 2002

**AN ACT CONCERNING WELL DRILLERS, PHARMACISTS,
ELECTRONIC SHELF-PRICE LABELING, HEALTH CLUBS, THE
LIQUOR CONTROL ACT, BUILDING PERMITS FOR
TRADESPERSONS, HOME IMPROVEMENT BONDS, LEMON LAW
FUNDING AND SHORTHAND REPORTERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 20-428 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2002*):

3 This chapter shall not apply to any of the following persons or
4 organizations: (1) The government of the state, municipalities of the
5 state or any department or agency of the state or such municipalities;
6 (2) the government of the United States or any of its departments or
7 agencies; (3) any school, public or private, offering as part of a
8 vocational education program courses and training in any aspect of
9 home improvements; and (4) any person holding a current
10 professional or occupational license issued pursuant to the general
11 statutes, and any person registered pursuant to sections 25-126 to 25-
12 137, inclusive, provided such person engages only in that work for

13 which [he] such person is licensed or registered.

14 Sec. 2. Subsection (a) of section 20-590 of the general statutes is
15 repealed and the following is substituted in lieu thereof (*Effective*
16 *October 1, 2002*):

17 (a) The department shall, upon authorization of the commission,
18 issue a license to practice pharmacy as a pharmacist to any individual
19 provided the individual:

20 (1) Has submitted a written application on a form approved by the
21 department;

22 (2) Has graduated from [and received the entry-level professional
23 pharmacy degree from] a college or school of pharmacy approved by
24 the commission with a degree that was, at the time of graduation, an
25 entry level professional pharmacy degree;

26 (3) Has the professional experience as a pharmacy intern required
27 by regulations adopted by the commissioner, with the advice and
28 assistance of the commission, in accordance with chapter 54;

29 (4) Has successfully passed the examination described under
30 subsection (b) of this section;

31 (5) Is eighteen years of age or older at the time of the examination;
32 and

33 (6) Has paid the examination fee specified in section 20-601.

34 Sec. 3. Subsection (b) of section 21a-79 of the general statutes, as
35 amended by section 1 of public act 01-73, is repealed and the following
36 is substituted in lieu thereof (*Effective October 1, 2002*):

37 (b) (1) (A) Any person, firm, partnership, association or corporation
38 that utilizes universal product coding in totaling a retail customer's
39 purchases shall mark or cause to be marked each consumer
40 commodity [which] that bears a Universal Product Code with its retail

41 price.

42 (B) Any person, firm, partnership, association or corporation that
43 utilizes an electronic pricing system in totaling a retail consumer's
44 purchases shall provide each consumer with an item-by-item digital
45 display, plainly visible to the consumer as each universal pricing code
46 is scanned, of the price of each consumer commodity or carbonated
47 soft drink container, or both, selected for purchase by such consumer
48 prior to accepting payment from such consumer for such commodity
49 or container. The provisions of this subparagraph do not apply to any
50 person, firm, partnership, association or corporation operating in a
51 retail sales area of not more than ten thousand square feet.

52 (2) The provisions of subparagraph (A) of subdivision (1) of this
53 subsection shall not apply if: (A) The Commissioner of Consumer
54 Protection, by regulation, allows for the utilization of electronic shelf
55 labeling systems; (B) a retailer is granted approval to utilize an
56 electronic shelf labeling system by the commissioner; [and] (C) the
57 retailer has demonstrated to the satisfaction of the commissioner that
58 such electronic shelf labeling system is supported by an electronic
59 pricing system [which] that utilizes universal product coding in
60 totaling a retail customer's purchases; and (D) the retailer has received
61 approval for such an electronic pricing system by the commissioner.

62 (3) The provisions of subparagraph (A) of subdivision (1) of this
63 subsection shall not apply if: (A) The retailer has met the conditions of
64 subdivision (2) of this subsection; and (B) the retailer has received
65 permission by the commissioner to suspend implementation of the
66 electronic pricing system for a period not to exceed thirty days in order
67 to allow the retailer or an agent acting on behalf of the retailer to reset,
68 remodel, repair or otherwise modify such system at the retail
69 establishment.

70 [(3)] (4) Consumer commodities that are advertised in a publicly-
71 circulated printed form as being offered for sale at a reduced price for
72 a minimum seven-day period need not be individually marked at such

73 reduced retail price, provided such consumer commodities are
74 individually marked with their regular retail price and a conspicuous
75 sign is adjacent to such consumer commodities, which sign discloses:
76 (A) The reduced retail price and its unit price; and (B) a statement that
77 the item will be electronically priced at the reduced price by the
78 cashier.

79 [(4)] (5) If a consumer commodity is offered for sale at a reduced
80 price, in accordance with subdivision [(3)] (4) of this subsection and its
81 electronic price is higher than the reduced price on the sign [which]
82 that is adjacent to the consumer commodity, then one item of such
83 consumer commodity shall be given to the consumer upon demand at
84 no cost. A conspicuous sign shall adequately disclose to the consumer
85 that in the event the electronic price is higher than the reduced retail
86 price, one item of such consumer commodity shall be given to the
87 customer upon demand at no cost.

88 Sec. 4. Subsection (e) of section 21a-226 of the general statutes is
89 repealed and the following is substituted in lieu thereof (*Effective*
90 *October 1, 2002*):

91 (e) The commissioner shall provide forms for applications by buyers
92 for payment from the guaranty fund. The application shall include the
93 name and address of the health club, the beginning and ending date of
94 the contract, the price of the contract, the date of the closing of the
95 health club, the amount and the basis of the claim and a copy of the
96 contract or other proof of membership deemed suitable by the
97 commissioner. No application for a payment from the guaranty fund
98 shall be accepted by the commissioner more than six months after the
99 date of the closing of the location of the health club where the buyer
100 entered into the contract.

101 Sec. 5. Section 30-59a of the general statutes is repealed and the
102 following is substituted in lieu thereof (*Effective October 1, 2002*):

103 The Department of Consumer Protection [shall] may, upon notice
104 from the Division of Special Revenue of the name and address of any

105 person who has had [his] a license suspended or revoked by the
106 Gaming Policy Board or the executive director of the Division of
107 Special Revenue, suspend the permit of such person until such license
108 has been restored to such person. The Department of Consumer
109 Protection shall notify the Division of Special Revenue of the name and
110 address of any permittee or backer whose permit has been suspended
111 or revoked.

112 Sec. 6. (NEW) (*Effective October 1, 2002*) No person licensed pursuant
113 to sections 20-330 to 20-341, inclusive, of the general statutes, as
114 amended, shall commence work within the scope of sections 20-330 to
115 20-341, inclusive, of the general statutes, as amended, unless each
116 applicable permit with respect to the specific work being performed by
117 such licensee has been obtained as required pursuant to local
118 ordinances and the general statutes.

119 Sec. 7. Subsection (c) of section 20-426a of the general statutes is
120 repealed and the following is substituted in lieu thereof (*Effective*
121 *October 1, 2002*):

122 (c) Such bond shall be in such form as the commissioner may
123 require and shall be in the amount of [ten] fifteen thousand dollars.
124 The commissioner may require the contractor to provide from time to
125 time proof that the bond is in full force and effect.

126 Sec. 8. Subsections (a) and (b) of section 23 of public act 01-9 of the
127 June special session are repealed and the following is substituted in
128 lieu thereof (*Effective October 1, 2002*):

129 (a) A new automobile warranties account surcharge is hereby
130 imposed on the sale or lease of each new [passenger vehicle or
131 motorcycle sold] motor vehicle, as defined in section 42-179, sold or
132 leased in this state by any person licensed to offer such vehicles for sale
133 under section 14-52. Such surcharge shall be in addition to any tax
134 otherwise applicable to any such sales transaction.

135 (b) The surcharge assessed pursuant to this section shall be at a rate

136 of three dollars per [passenger vehicle or motorcycle] motor vehicle, as
 137 defined in section 42-179. Such surcharge shall be collected by each
 138 licensee under section 14-52 engaged in [new passenger vehicle or
 139 motorcycle sales] the sale or lease of motor vehicles, as defined in
 140 section 42-179, in this state.

141 Sec. 9. Subsection (a) of section 20-654 of the general statutes is
 142 repealed and the following is substituted in lieu thereof (*Effective*
 143 *October 1, 2002*):

144 (a) No person shall receive a license under the provisions of sections
 145 20-650 to 20-656, inclusive, until such person has passed an
 146 examination which shall be substantially similar to the examination of
 147 the National Court Reporters Association, [or demonstrates to the
 148 satisfaction of the board that such person has actively engaged in the
 149 practice of shorthand reporting in this state before October 1, 1997,] or
 150 has submitted evidence satisfactory to the board that such person is a
 151 Registered Professional Reporter of the National Court Reporters
 152 Association or its equivalent.

| | |
|--|------------------------|
| This act shall take effect as follows: | |
| Section 1 | <i>October 1, 2002</i> |
| Sec. 2 | <i>October 1, 2002</i> |
| Sec. 3 | <i>October 1, 2002</i> |
| Sec. 4 | <i>October 1, 2002</i> |
| Sec. 5 | <i>October 1, 2002</i> |
| Sec. 6 | <i>October 1, 2002</i> |
| Sec. 7 | <i>October 1, 2002</i> |
| Sec. 8 | <i>October 1, 2002</i> |
| Sec. 9 | <i>October 1, 2002</i> |

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

| Fund-Type | Agency Affected | Current FY \$ | FY 03 \$ | FY 04 \$ |
|-------------------|----------------------------|---------------|----------|----------|
| GF - Revenue Gain | Consumer Protection, Dept. | - | Minimal | Minimal |

Note: GF=General Fund

Municipal Impact:

| Effect | Municipalities | Current FY \$ | FY 03 \$ | FY 04 \$ |
|------------------------------|--------------------|---------------|----------|----------|
| STATE MANDATE - Revenue Gain | All Municipalities | - | Minimal | Minimal |

Explanation

This bill applies to many activities administered and supported by the Department of Consumer Protection (DCP) concerning health, and occupational and professional registration and licensing. No section or part of this bill will have a significant fiscal impact. Below is a brief description of sections that will have some type of fiscal impact.

Section 1 prohibits plumbers, electricians, sheet metal workers and other tradesmen from starting jobs unless the required state and local building or construction permits have been obtained. This provision primarily affects municipalities. Since the permit fees established by municipalities varies from town to town, the revenue gain is indeterminate but is expected to be minimal.

Section 5 allows, rather than requires, the DCP to suspend the liquor permit of someone whose license has been suspended or revoked by the Gaming Policy Board or the Division of Special

Revenue. This bill will be affecting package store permit fees which are presently \$425 annually, and grocery store/beer permit fees which are \$85 annually. Last calendar year, only one of these liquor permits was suspended; the liquor permit was subsequently reinstated. Thus, it is anticipated that any revenue gain would be minimal.

Section 6 exempts well drillers from the home improvement registration requirement. The department has not required well drillers to register as home improvement contractors. It has applied the same law that currently applies to licensed professionals and tradesmen. Since this provision conforms with existing practice, no revenue loss is anticipated

Section 8 - Since car dealerships already impose the \$3 surcharge on each type of vehicles and transaction covered by the program, no revenue gain to the New Automobile Warranties Account is anticipated. The \$3 Lemon Law surcharge commenced on July 1, 2001. To date, the deposits in the account total \$236,683.

Section 9 eliminates the existing grandfathering provision in the Shorthand Reporter Act that allows a shorthand reporter to be licensed automatically without being retested. It is anticipated that the workload increase due to the examination requirement can be handled within existing budgetary resources.

House "A" allows retail stores that are exempt from item pricing requirements because they operate an approved shelf labeling system to remain exempt while their system is being reset, repaired, or remodeled for up to 30 days if they receive permission from the commissioner clarifies intent of the bill and would have no fiscal impact.

OLR Bill Analysis

sHB 5251 (as amended by House "A")*

***AN ACT CONCERNING WELL DRILLERS, PHARMACISTS,
ELECTRONIC SHELF-PRICE LABELING, HEALTH CLUBS, THE
LIQUOR CONTROL ACT, BUILDING PERMITS FOR
TRADESPERSONS, HOME IMPROVEMENT BONDS, LEMON LAW
FUNDING AND SHORTHAND REPORTERS***

SUMMARY:

This bill:

1. prohibits plumbers, electricians, sheet metal workers, and other specified tradesmen from starting to work on a project, unless the required state and local building or construction permits relating to their trade have been obtained;
2. allows people making a claim for payment from the Connecticut Health Club Guaranty Fund to prove club membership using other forms of proof than their health club contract, if the commissioner finds the alternative form of proof suitable;
3. allows, rather than requires, the Department of Consumer Protection (DCP) to suspend the liquor permit of someone whose license has been suspended or revoked by the Gaming Policy Board or the Division of Special Revenue;
4. creates an new exemption for stores from the item pricing law because they are using an approved electronic shelf labeling system;
5. exempts registered well drillers working in their trade from the law concerning home improvement contractor registration. (The law already exempts licensed professionals and tradesmen, provided they are working in their field);
6. eliminates an avenue to licensure as a shorthand reporter based on experience;
7. imposes the \$3 Lemon Law surcharge used to fund the operation of the Lemon Law program on each type of vehicle and transaction covered by the program;
8. increases, from \$10,000 to \$15,000, the maximum bond the

consumer protection commissioner may impose on a registered home improvement contractor as a result of a disciplinary action; and

9. specifies that to receive a pharmacist's license, an individual must have earned a degree from a college or school of pharmacy that was an entry-level professional pharmacy degree at the time he graduated.

*House Amendment "A" allows retail stores that are exempt from item pricing requirements because they operate an approved shelf labeling system to remain exempt for up to 30 days while their system is being reset, repaired, or remodeled if they receive the consumer protection commissioner's permission.

EFFECTIVE DATE: October 1, 2002

ITEM PRICING LAW EXEMPTION

The law generally requires stores that use Universal Product Coding (UPC) and bar scanners to charge consumers to mark each item with its price. Current law exempts stores that use an electronic shelf labeling (ESL) system if (1) the consumer protection commissioner allows them by regulation, (2) the commissioner grants permission to the retailer, and (3) the retailer has demonstrated to the commissioner's satisfaction that the system is supported by an electronic pricing system that uses UPC and bar code scanners to charge a consumer for his purchases. The bill also allows these stores to remain exempt while their ESL system is being reset, remodeled, repaired, or otherwise modified if they have received permission from the Consumer Protection Commissioner. The bill authorizes the commissioner to grant such permission for up to 30 days.

SHORTHAND REPORTERS

Under the bill, an applicant for licensure as a shorthand reporter can no longer qualify for a license by demonstrating to the board that he was a practicing shorthand reporter before October 1, 1997, the date the shorthand reporting licensing law took effect. The bill maintains the requirements that an applicant either (1) pass an examination substantially similar to the examination given by the National Court Reporters Association or (2) prove to the board that he is a registered professional reporter of the National Court Reporters Association.

LEMON LAW SURCHARGE

The \$3 Lemon Law surcharge was imposed on the sale of each new passenger vehicle and motorcycle in 2001. The law requires the proceeds to be deposited in the New Automobile Warranties Account and used to fund the Lemon Law program. The Lemon Law applies to the sale or lease of passenger motor vehicles, passenger and commercial motor vehicles, and motorcycles. The bill imposes the surcharge on lease transactions and sold or leased passenger and commercial (combinations) motor vehicles, thereby applying the surcharge to each type of vehicle and transaction covered by the program.

BACKGROUND

Health Club Guaranty Fund

The fund is designed to prevent health club members from losing their investment when a club closes. It is funded with annual fees paid by health clubs and administered by the consumer protection department. If a club closes and does not reimburse its members for the unfulfilled portion of their contracts, members may seek reimbursement from the fund.

Legislative History

The House referred the original bill (File 207) to the Transportation Committee on April 3. On April 10, the committee favorably reported the bill without change.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute
Yea 17 Nay 0

Transportation Committee

Joint Favorable Report
Yea 28 Nay 0

